



புதுச்சேரி மாநில அரசிதழ்

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PART - I

சிறப்பு வெளியீடு

EXTRAORDINAIRE

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No. }	Puducherry	Wednesday	15th	July	2015

GOVERNMENT OF PUDUCHERRY

LABOUR DEPARTMENT

No. 6323/AIL/Lab./J/2013.

Puducherry, the 15th July 2015.

ORDER

Whereas, the management of M/s. Anglo-French Textiles Limited, Puducherry has submitted an application in Form O-3, dated 18-5-2015 in the Office of the Secretary to Government, Labour Department, Puducherry seeking permission for a period of 6 months with effect from 21-7-2015 to lay-off in A, B, C units under section 25-M of the Industrial Disputes Act, 1947 read with rule 75(B) of the Industrial Disputes (Central) Rules, 1957;

Whereas, the views/replies of the management, trade unions, Government Pleader, High Court of Judicature at Madras and the relevant documents/issues were examined earlier;

Whereas, on perusal of the management lay-off application, dated 18-5-2015 and letter No. PTC/2015/130, dated 3-7-2015 received from the Managing Director, Pondicherry Textile Corporation Limited, Puducherry and other supporting documents, it is observed that the management has stated various reasons for seeking permission for the extension of lay-off such as:-

(i) The "Thane" Cyclone caused severe structural damage to AFT. Most of the buildings in 'A' unit are declared unsafe for use by the Inspector of Factories and orders was issued by them to prohibit the entry of workers inside the campus which included Spinning Preparatory and Weaving Preparatory besides the Engineering Department which forced the management to discontinue the operations in these areas;

(ii) The net worth of the company has already been in the negative side as on 31-3-2014 and no funds are available even to meet the day-to-day expenses;

(iii) The Government has continuously provided funds to the mill by way of Share Capital and grant-in-aid. The Government has released ₹ 367.35 crores as Share Capital and ₹ 201.11 crores as grant-in-aid up to 15-5-2015. From the year 1985-1986 to 1992-93, the Pondicherry Textile Corporation Limited had earned marginal profits and thereafter had started incurring loss. The Share Capital and grant-in-aid released for the last 6 years by the Government of Puducherry has drastically declined;

(iv) The grant-in-aid released presently is adequate only to pay the lay-off compensation and wages and is not adequate to run the mill fully;

(v) The machineries are very old and without modernization, it is difficult to run the mill effectively;

(vi) Labour unrest prevailing due to non-payment of statutory dues and hence without settling the dues no action can be taken to run the mill. In the present scenario, the production activities in the AFT could not be resumed till the Weaving Preparatory and Warehouse Departments in 'A' units are shifted to new building either in 'B' or 'C' units for which sufficient funds are required. Government, banks and other institutions are not granting any loans to settle both the statutory and non-statutory liabilities which amounts to ₹ 130.02 crores. Without settling these dues and modernizing the machineries no revival plan can be initiated. In order to settle the outstanding dues the management took initiative to sell the idle land of 54.64 acres situated in Pattanur Village, Villupuram District, Tamil Nadu which was purchased by the Pondicherry Textile Corporation. The management further stated that in this regard a Board resolution was also passed for the sale of Pattanur land and the Council of Ministers, Government of Puducherry accorded the approval for sale of land on 24-6-2013 and the proposal was sent to Joint Secretary (Union Territory) Government of India, Ministry of Home Affairs, New Delhi *vide* letter dated 26-8-2013 and the said proposal is still pending with the Government of India. If the sanction is granted, the 54.64 acres of Pattanur land can be

sold by an e-auction which may fetch around ₹ 80 crores as per present market value (₹ 61.00 crores GLR value) and the statutory dues will be settled and subsequently steps can be taken for revival plan. Till such time, there is no other alternative than to declare a temporary "Lay-off";

And whereas, the management has also stated that they re-started the production activities in 'C' unit Spinning only for the time being and now they have requested lay-off for a further period of 6 months with effect from 21-7-2015 (except Spinning unit).

Now, therefore by virtue of the authority delegated *vide* G.O. Ms. No.177/80-Lab, dated 1st September 1980 of the Labour Department to exercise the powers conferred by the sub-section (1) of section 25-M of the Industrial Disputes Act, 1947 (Central Act 14 of 1947) the undersigned hereby decides to grant permission sought by the management of M/s. Anglo-French Textiles, Puducherry, to lay-off workman as defined under section 2(s) of the Industrial Disputes Act, 1947 (Central Act 14 of 1947) in A, B, C (except Spinning unit) units for a period of 6 months with effect from 21-7-2015.

R. MIHIR VARDHAN, I.A.S.,
Secretary to Government (Labour).